Prince Edward Island
CANADA

Development and Technology

Annual Report

2000/2001

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The Honourable Leonce Bernard
Lieutenant Governor of Prince Edward Island

May It Please Your Honour:

It gives me great pleasure to submit the Annual Report for the Department of Development and Technology for the fiscal year 2000-2001.

I am delighted to be the Minister of a Department with such a range of responsibilities. Staff are the critical foundation for any organization. I would like to thank my staff for their efforts during the fiscal year.

It is my privilege to endorse this 2000-2001 Annual Report of the Department of Development and Technology.

My staff and I are looking forward to working with Islanders to further develop the economy of our Province.

Your Obedient Servant,

Michael Currie
Minister

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Honourable Michael Currie
PEI Department of Development and Technology
P.O. Box 2000
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Dear Minister

It is my pleasure to submit herewith the 2000-2001 Annual Report for the Department of Development and Technology.

This is the first annual report of the Department of Development and Technology.

Economic development offers the promise of jobs and wealth for Islanders. The foundations for economic development are successful businesses, a positive business climate and skilled employees. Government's role is to work as a partner with the private sector to facilitate the development of the economy.

It is my privilege to endorse this 2000-2001 Annual Report of the Department of Development and Technology.

I am pleased to have had the opportunity to work with our energetic, loyal and imaginative employees, and our business partners, to create jobs and wealth on Prince Edward Island.

Yours sincerely,

James Johnston

OVERVIEW

Mandate

The mandate of the Department of Development and Technology is to work in partnership with the private sector and communities to create jobs and wealth for Islanders.

Mission

The Department of Development and Technology will help strengthen and grow the economy of PEI through a coordinated system of well managed, strongly marketed, programs designed to encourage growth in existing PEI industries. This effort will be coupled with a focussed prospecting effort in order to attract new business to P.E.I.

Specifically, the Department of Development and Technology will strengthen our rural communities by investing in human resource and financial resource development programs designed to support and grow our existing and vibrant rural base.

Vision

The vision for the Province of PEI as outlined in *Bridging Tradition and Technology*, an economic development strategy for PEI, is as follows:

- that the economy expand and diversify but continue to rely on our primary industries;
- that Island food products, produced in a sustainable manner, be world renowned for their quality and be marketed around the globe with the most advanced information technology tools;
- that new industries establish, creating new products and providing new services to new markets around the world;
- that Island firms, using experience from the traditional industries, compete successfully in the knowledge-based economy;
- that Island firms be energy-competitive with other provinces;
- that rural communities be more vibrant and be the foundation of the economy; and
- that Islanders be more self-reliant.

Values

The following principles will be used to meet the vision.

- Business is the primary foundation of the Provincial economy. Establishing new businesses and expanding existing businesses are significant priorities for the creation of jobs and wealth. Islanders will be encouraged to export products and services.

- Strong rural communities are the foundation of balanced development across Prince Edward Island. Communities have an important role to play in meeting the challenges of economic development. Community development must build on the resources of the area.

- Strategic infrastructure throughout the Province is required to develop our economy.

- Private and public sector alliances and partnerships must increasingly provide the strategic direction for economic growth.

- A positive investment climate must be established.

- A skilled human resource base is essential to success in the new economy.

- Businesses should be established or expanded in industries where we have or can create an advantage.

- Priority industries should be those where there is strong growth and export potential

- Development must be sustainable and compatible with the environment. Primary resources must be managed so that future wealth creation potential is enhanced.

- Island firms have access to competitive energy prices.

- Islanders must be encouraged to believe that entrepreneurship is a viable career option.

- Our quality of life must be maintained.

TOUR D'HORIZON

Mandat

Le mandat du ministère du Développement consiste à travailler en collaboration avec le secteur privé et les collectivités en vue de la création d'emplois et de richesses pour les Insulaires.

Mission

Le ministère du Développement aidera à renforcer et à faire croître l'économie de l'Î.-P.-É. au moyen d'un système coordonné de programmes adéquatement administrés et efficacement mis en marché qui favorisent la croissance dans les industries existantes de l'Î.-P.-É. S'ajouteront à ceci des activités de prospection ciblées en vue d'attirer de nouvelles entreprises à l'Î.-P.-É.

Tout particulièrement, le ministère du Développement renforcera nos collectivités rurales en investissant dans les programmes de développement des ressources humaines et financières qui visent à appuyer et à faire augmenter notre base rurale énergique actuelle.

Vision

La vision pour la province de l'Î.-P.-É., telle qu'énoncée dans la stratégie de développement économique qui consiste à établir des liens entre la tradition et la technologie, est la suivante :

- s'assurer d'étendre et de diversifier l'économie, mais continuer de compter sur nos industries primaires;
- s'assurer que les produits alimentaires de l'Île fabriqués de manière durable sont reconnus mondialement en raison de leur qualité et qu'ils sont mis en marché partout dans le monde à l'aide des outils de technologie de l'information de pointe;
- s'assurer que de nouvelles industries s'établissent et qu'elles créent de nouveaux produits et offrent de nouveaux services aux nouveaux marchés dans le monde entier;
- s'assurer que les entreprises de l'Île mettent à profit l'expérience des industries traditionnelles pour être en mesure de soutenir la concurrence dans l'économie du savoir;
- s'assurer que les entreprises de l'Île sont concurrentielles avec d'autres provinces sur le plan de l'énergie;

- s'assurer que les collectivités rurales sont plus énergiques et qu'elles sont à la base de l'économie; et

- s'assurer que les Insulaires sont plus indépendants.

Valeurs

Les principes suivants seront utilisés pour appliquer la vision :

- Les entreprises sont à la base de l'économie provinciale. L'établissement de nouvelles entreprises et l'expansion des entreprises existantes sont des priorités importantes pour la création d'emplois et de richesses. On encouragera les Insulaires à exporter des produits et des services.

- Des collectivités rurales énergiques sont à la base d'un développement équilibré dans l'ensemble de l'Île-du-Prince-Édouard. Les collectivités ont un rôle important à jouer pour relever les défis du développement économique. Le développement communautaire doit miser sur les ressources de la région.

- Une infrastructure stratégique dans toute la province est nécessaire pour développer notre économie.

Des alliances et des partenariats entre les secteurs public et privé doivent fournir, de plus en plus, l'orientation stratégique nécessaire à la croissance économique.

- Un climat d'investissement positif doit être créé.

- Une main-d'oeuvre qualifiée est essentielle au succès de la nouvelle économie.

- Des entreprises devraient être établies ou élargies dans les industries où nous avons ou pouvons créer un avantage.

- Les industries prioritaires devraient être celles qui favorisent une forte croissance et les exportations.

- Le développement doit être durable et compatible avec l'environnement. Les ressources primaires doivent être gérées pour favoriser la création de richesses futures.

- Les entreprises de l'Île doivent avoir accès à des prix de l'énergie concurrentiels.

- Les Insulaires doivent être incités à croire que l'entrepreneuriat est un choix de carrière viable.

- Notre qualité de vie doit être maintenue.

YEAR IN REVIEW

The Department of Development and Technology has a number of divisions that provide services to the public and support services to the department.

Access PEI and Regional Service Centres

The Access PEI concept is an important tool to strengthen communities. Multi-level, single window service delivery in local communities:

connects the community to a range of government services;

- makes government services at all levels accessible;
- facilitates successful efforts to utilize government services;
- eliminates red-tape barriers to business and social development;
- keeps people in home communities and encourages investment in those communities;
- provides a centre for community development efforts.

During the 2000-2001 fiscal year the Department of Development and Technology expanded Access PEI to twelve sites including Tignish, Alberton, O'Leary, Wellington, Summerside, Crapaud, North Rustico, Charlottetown, Stratford, Morell, Montague, Souris.

Communications

The purpose of this Division is to work with other divisions and agencies within the Department of Development and Technology to communicate, both externally and internally, the activities and accomplishments of the Department.

The past year has provided new challenges as well as the successful continuation of a number of projects.

Community and Labour Development

The primary role of the Division is coordination of a community based development process with support from a community development bureau and the management of a Federal/Provincial Labour Market Development Agreement. In addition the Division manages and delivers a variety of programs and services in support of small business, entrepreneurship, employment development and community development. The Division

also participates in related departmental policy and planning initiatives to fulfil this role. The major objectives of the Division in fulfilling this mandate included the following:

- support for community based development processes;
- encourage and assist community based economic development initiatives;
- support community based job creation in cooperation with local community economic development groups;
- manage, administer, and coordinate Division policy and program mandates to ensure their implementation in a timely and efficient manner; and,

Cooperation Agreement on Regional Economic Development

On January 16, 1997, the federal government and the province signed a new five-year plan (1996-2001), the Canada-Prince Edward Island Agreement on Regional Economic Development. This agreement is designed to support economic development activities in the province in a wide range of strategically important areas. It also consolidates the final phases of the existing Canada/PEI Cooperation Agreement on Primary Resource Development and Planning into one entity. Several program lines were transferred from the Cooperation Agreement on Industrial Development.

Following is a brief description of the programs under the authority of the Department of Development and Technology.

- Strategic Infrastructure — supports industrial, technological and informatics/software development infrastructure, such as waste water treatment facilities, three-phase power plants and information technologies.
- Tourism-Related Strategic Infrastructure — supports the development and promotion of new and economically promising types of tourism, including those that extend the season such as "green tourism" (ie. ecological tours, Rails-to-Trails hiking, golf), soft adventures (ie. sea kayaking, snowmobiling) and special events.
- Educational Support Strategic Development — supports education and training that enhances the development of knowledge-based industries, management and entrepreneurship training and development, and works to bring new technology products and services to commercial application.
- Community Economic Development — supports recently consolidated rural economic development organizations in the province, enabling them to fulfil their mandates.
- Export Trade Development and Development Prospecting — supports new market and trade-related identification, entry and expansion for businesses in the province.

A new agreement, the Canada/Prince Edward Island Agreement for the Economic Development Component of the Canadian Fisheries Adjustment and Restructuring Initiative (CFAR) was signed for the 1999-2002 time period. The Agreement consists of three separate programs designed to provide support to those sectors which have been recognized as having long term economic growth potential in areas of the province adversely affected by the downturn in the fishery. Total allocation for PEI is $1.5 million ($1.2 million in federal funds, $300,000 Provincial funds).

Energy and Minerals

The Energy and Minerals Division is responsible for the development and overall implementation of energy policy for the provincial government. The section offers programs including Smart Energy Management Program which distributes energy booklets, offers workshops, energy audits and energy efficiency initiatives.

The division also regulates and encourages the exploration for minerals and natural gas. The section issued thirteen permit renewals. In total, more than 400,000 hectares of PEI land is under exploration for oil and natural gas. An energy database is maintained which monitors the supply, demand and cost of energy and/or fuels used within the province. The EnerPool Program continues to demonstrate the potential for energy conservation using ride-sharing transportation.

This past January marked Prince Edward Island's first ever call for bids for an oil and natural gas permit resulting in tow exploration companies submitting the required documentation.

The Division also represents the province in regional and national energy matters.

Finance and Administration

The Finance and Administration Division provides support services to the Department for all budget and personnel issues. Overall, within the Ministry, there are 101 staff, consisting of 81 full-time and 20 casual positions. The 2000/01 budget estimates were $13,368,612. In addition, revenues received amounted to $7,355,498.

Immigration, Investment and Trade Policy

The role of the Division is to develop, coordinate and implement policy in the areas of immigration, investment and trade within the Department. The Division is also responsible for the operation and management of Island Investment Development Inc. (IIDI).

The Immigration, Investment and Trade Policy Division covers a wide range of responsibilities which support departmental economic development objectives.

The Division is responsible for the immigration policy area and also for administering the

Federal Government Business Immigration Program, including the management and operation of Island Investment Development Inc. (Island Funds) and the Prince Edward Island Century 2000 Fund. The Division is also responsible for other areas of immigration policies which include resettlement programs, humanitarian issues regarding refugees, and the new Federal Immigration Policy Levels and Issues.

Policy and Planning

The Policy and Planning Division provides policy and planning support, as well as computer support (including the development of computer systems) for all staff within the department.

The division is responsible for Prince Edward Island's award-winning Internet Information Centre which promotes PEI as a place to do business, a place to visit and provides information about PEI for Islanders and Internet users alike. PEI was the first province in the country to provide live real audio access to the proceedings of the legislature, which enables Internet users with the appropriate hardware and software to listen to the live proceedings. PEI became the first province in Canada to provide comprehensive interactive mapping capability on the Internet. The Province also worked with the Federal Government and municipal governments to create GovInfo which is a single database of federal, provincial and municipal government programs and services.

BILAN DE L'ANNÉE

Le ministère du Développement et de la Technologie possède un certain nombre de divisions fournissant des services au public et des services de soutien au ministère.

Centres Accès Î.-P.-É. et Centres de services régionaux

Le concept d'Accès Î.-P.-É. est un outil important pour raffermir les liens communautaires. La prestation de services à guichet unique, à plusieurs niveaux, auprès des communautés locales :

- met à la disposition de la communauté un éventail de services gouvernementaux;
- rend les services gouvernementaux accessibles à tous les niveaux;facilite les efforts fructueux d'utilisation des services gouvernementaux;
- élimine les formalités administratives qui entravent les entreprises et le développement social;
- garde les gens dans leurs propres communautés et incite à investir dans ces communautés;
- fournit un centre aux activités de développement communautaire.

Au cours de l'exercice financier 2000-2001, le ministère du Développement et de la Technologie a ajouté Accès Î.-P.-É. à 12 sites : Tignish, Alberton, O'Leary, Wellington, Summerside, Crapaud, North Rustico, Charlottetown, Stratford, Morell, Montague et Souris.

Communications

La présente Division a pour objectif de travailler avec d'autres divisions et organismes au sein du ministère du Développement et de la Technologie afin de faire connaître, tant à l'intérieur qu'à l'extérieur, les activités et les réalisations du ministère.

La dernière année a apporté son lot de nouveaux défis et elle a également fourni l'occasion de poursuivre avec succès un certain nombre de projets.

Développement de la main d'œuvre et de la communauté

Le rôle principal de la Division consiste à coordonner le processus de développement de la communauté en s'appuyant sur le bureau de développement communautaire et la gestion d'une entente fédérale-provinciale sur le développement du marché du travail. De plus, la Division gère et fournit divers programmes et services au soutien des petites entreprises, de l'esprit d'entreprise, de la stimulation de l'emploi et du développement communautaire. Dans l'exécution de cette fonction, la Division participe également à des initiatives de politique gouvernementale et de planification connexes. Les principaux objectifs de la Division dans l'accomplissement de son mandat comprennent les suivants :

- encourager les processus de développement communautaire;
- aider à la création d'emplois communautaires en collaboration avec les groupes de développement économique au niveau de la communauté locale;
- gérer, administrer et coordonner les mandats de la Division en matière de politique et de programme afin de s'assurer de leur mise en place de façon opportune et efficace.

Entente de coopération sur le développement économique régional

Le 16 janvier 1997, le gouvernement fédéral et la province ont signé un nouveau plan de cinq ans (1996 à 2001), l'Entente Canada-Île-du-Prince-Édouard sur le développement économique régional. Cette entente est conçue pour aider les activités de développement économique dans la province dans un très large nombre de domaines importants au plan stratégique. Elle fusionne également les phases finales de l'entente actuelle entre le Canada et l'Île-du-Prince-Édouard sur le développement et la planification des ressources primaires en une seule entité. Plusieurs éléments de programme ont été transférés de l'entente de coopération sur le développement industriel.

On trouve ci-dessous une brève description des programmes tombant sous l'autorité du ministère du Développement et de la Technologie.

- Infrastructure stratégique — appuie l'infrastructure du développement industriel, technologique, de l'informatique et des logiciels, comme les installations de traitement des eaux usées, les groupes motopropulseurs triphasés et les technologies de l'information.
- Infrastructure stratégique touristique — vient en aide au développement et à la promotion de types de tourisme, nouveaux et économiques, notamment ceux qui allongent la saison tel que le « tourisme vert » (c.-à-d. les visites écologiques, les sentiers de randonnée pédestre balisés, le golf), les excursions d'aventure peu rigoureuses (c.-à-d. le kayak de mer, la motoneige) et les événements spéciaux.

- Développement stratégique en matière d'aide à l'éducation — aide l'éducation et la formation améliorant le développement des industries du savoir, la gestion, la formation et le développement de l'esprit d'entreprise, et s'efforce de trouver des applications commerciales aux produits et aux services technologiques.

- Développement économique communautaire — aide les organismes de développement économique rural de la province qui ont été récemment intégrés en leur permettant de remplir leurs mandats.

Expansion du commerce extérieur et prospection de débouchés — aide à trouver de nouveaux marchés et de nouvelles avenues commerciales pour les entreprises ainsi qu'à leur faciliter l'entrée et l'expansion dans la province.

Une nouvelle entente, l'Entente Canada-Île-du-Prince-Édouard applicable à la composante du développement économique du Programme d'adaptation et de restructuration des pêches canadiennes (PARPC) a été signée pour la période s'étendant de 1999 à 2002. L'entente porte sur trois programmes conçus pour venir en aide aux secteurs reconnus pour leur potentiel de croissance économique dans des domaines où la province a subi des revers en raison du ralentissement des activités halieutiques. L'allocation de l'Î.-P.-É. s'élève à 1,5 million de dollars (1,2 million de dollars en fonds fédéraux, 300 mille dollars en fonds provinciaux)

Ressources énergétiques et minières

La Division de l'énergie et des mines est responsable du développement et de la mise en œuvre de l'ensemble de la politique énergétique du gouvernement provincial. Elle offre des programmes dont le *Smart Energy Management Program* (Programme de gestion d'économiseur d'énergie) qui s'occupe de distribuer des dépliants et d'offrir des ateliers, des initiatives d'audits énergétiques et d'efficacité énergétique.

De plus, la Division réglemente et encourage l'exploration des mines et du gaz naturel. Elle a émis treize renouvellements de permis. Au total, plus de 400 000 hectares de terre de l'Î.-P.-É. sont en voie d'exploration pour trouver du pétrole et du gaz naturel. On maintient une base de données sur l'énergie qui surveille l'offre, la demande et le coût de l'énergie et des carburants utilisés dans la province. Le programme *Energy-pool* continue de démontrer le potentiel que présente l'économie de l'énergie en utilisant le transport par covoiturage simple.

Le mois de janvier dernier a marqué le premier appel d'offres jamais fait à l'Île-du-Prince-Édouard pour un permis de pétrole et de gaz naturel, ce qui a amené des compagnies d'exploration par remorquage à soumettre la documentation requise.

La Division représente également la province dans les questions d'énergie régionales et nationales.

Finance et administration

La Division des finances et de l'administration fournit des services de soutien au ministère pour toutes les questions se rapportant au budget et au personnel. En tout, 101 personnes sont à l'emploi du ministère dont 81 à temps plein et 20 occasionnelles. Pour l'exercice 2000-2001, les prévisions budgétaires s'élevaient à 13 368 612 millions de dollars. De plus, les revenus perçus ont atteint 7 355 498 millions de dollars.

Immigration, investissement et politique commerciale

Le rôle de la Division consiste à élaborer, à coordonner et à mettre en place la politique dans les domaines de l'immigration, de l'investissement et du commerce à l'intérieur du ministère. Elle est également responsable de l'exploitation et de la gestion de *Island Investment Development Inc.* (IIDI).

La Division de l'immigration, de l'investissement et de la politique commerciale assume une foule de responsabilités contribuant aux objectifs de développement économique du ministère.

La Division est responsable du domaine de la politique en matière d'immigration et également de l'administration du Programme d'immigration des gens d'affaires du gouvernement fédéral, notamment de la gestion et de l'exploitation de *Island Investment Development Inc.* (les fonds de l'Île) et du *Prince Edward Island Century 2000 Fund*. De plus, la Division est également responsable d'autres sujets se rapportant aux politiques d'immigration dont les programmes de réinstallation, les questions humanitaires concernant les réfugiés ainsi que les niveaux et questions se rapportant à la nouvelle politique fédérale en matière d'immigration.

Politique et planification

La Division offre de l'appui en matière de politique et de planification, ainsi que de l'appui en matière d'informatique (notamment le développement de système informatique) à tout le personnel du ministère.

La Division est responsable du Centre d'information sur Internet qui a remporté un prix. Ce centre fait la promotion de l'Î.-P.-É. comme un endroit pour faire des affaires, un endroit à visiter, et il fournit de l'information sur l'Île tant aux Insulaires qu'aux usagers de l'internet. L'Île-du-Prince-Édouard a été la première province au pays à fournir l'audio actif en direct aux débats de l'Assemblée législative, ce qui permet aux utilisateurs d'Internet équipés du matériel et du logiciel appropriés d'écouter les débats en direct. L'Î.-P.-É. est devenue la première province canadienne à fournir une fonction de mappage complète sur Internet. La province a également travaillé, en collaboration avec le gouvernement fédéral et les administrations municipales, à la création de GovInfo, une base données unique de programmes et de services fédéraux, provinciaux et municipaux.

ACCESS PEI

By the end of the 2000/2001, there were 12 Access PEI Centres with the opening of Centres in O'Leary, Charlottetown, Stratford, North Rustico and Crapaud. O'Leary involved the transformation of the former West Prince Regional Services Centre and Charlottetown the conversion of the former Highway Safety Division counter on Riverside Drive. The O'Leary Centre involves a common front counter with Human Resource Development Canada.

Stratford, North Rustico and Crapaud are each quite innovative in their own way. Stratford saw the opening of a public library for the first time in that community. Access PEI staff, who transferred in from other offices, provide library services as well as all of the Access PEI services. The Centre also offers four public Internet access computers and is the home base for a building and electrical inspector, with space for a building inspector at a future date. Although the inspectors keep normal office hours, Access PEI Stratford is open weekdays 8:30 to 5, Thursday evenings until 8 and Saturday mornings.

North Rustico and Crapaud share space with the Village Office, and Crapaud is located within the Public Library. Each is open at least one evening per week and Saturday mornings and each provides all of the Access PEI services.

On July 17, 2000 Prince Edward Island became the first province to offer on-line vehicle renewals. Access PEI partnered with the Policy and Planning Division of the Department to offer this service over the web.

Access PEI continues to be a well-received initiative. An evaluation of Access PEI Wellington, carried out in the summer of 2000, indicated that 91% of citizens who had used the Centre were very satisfied with the service received.

Promotion of the Access PEI concept continues to be a challenge. A variety of moderately priced advertising options have been used, including open houses, the use of posters, public speaking, some moderately priced newspaper or newsletter advertising, and passing out information to clients when they have been served. Awareness of the program is growing, but more work will come.

COMMUNICATIONS

The past year has provided new challenges as well as the successful continuation of a number of projects. Other divisions within the Department have come to appreciate the value of communications - resulting in a busy and productive year.

Though this year was the final one for the Regional Economic Development Agreement, a number of projects that were funded under REDA were announced. This is one of many federal/provincial programs with which the department is involved. This year, however, a number of ground rules were established and a good working relationship was developed.

The Division also put significant energy into lobbying for a national shipbuilding policy. This involved work with Executive Council and the Department as well as the Premier's office and the private sector. The national task force on shipbuilding visited the province and the visit required support.

The announcement of the Atlantic Technology Centre required significant effort - both prior to, during and subsequent to the actual announcement phase. The project involved a number of partners and considerable advertising and media involvement.

The inclusion of Technology PEI under the Department's wing added an extra dimension to the division's responsibilities. Support was provided to a number of Tech PEI initiatives including community and youth programs and business programs.

Announcements continued through the Labour Market Development Agreement - most significantly in response to the potato wart crisis and to the closing of a fish plant in Summerside.

Efforts were also made, in conjunction with the Minister and with PEI Business Development, to produce information that highlighted the province's continuing good economic needs, particularly in the area of job creation, retail sales, exports and construction.

Three more Access PEI sites opened across the province. As well as organizing official openings, efforts were made to raise the profile of Access PEI and its services.

This year, a task force was set up by Executive Council to explore ideas relating to research and development in the province. A brochure was produced by the communications division, outlining existing research capabilities, especially as they relate to potential commercialization.

Work was done for the PEI Energy Corporation, both in terms of the wind farm project at the Atlantic Wind Test Site and for legislative changes to the Maritime Electric Act, as well as in support of ongoing efforts to develop the province's on shore energy supply.

The Division continued to provide support to community development, the government website, the Food Technology Centre, PEI Business Development Inc. and to the Minister and the Deputy. Support included speeches, news releases, media events and briefing notes.

COMMUNITY AND LABOUR DEVELOPMENT

The primary role of the Division is coordination of a community based development process with support from a community development bureau and the management of a Federal/Provincial Labour Market Development Agreement. In addition, the Division manages and delivers a variety of programs and services in support of small business, entrepreneurship, employment development and community development. The Division also participates in related departmental policy and planning initiatives to fulfil this role. The major objectives of the Division in fulfilling this mandate include the following:

- support for community based development processes;
- encourage and assist community based economic development initiatives;
- support community based job creation in cooperation with local community economic development groups;
- manage, administer, and coordinate Division policy and program mandates to ensure their implementation in a timely and efficient manner.

Some of the activities undertaken by the Community and Labour Development Division included the following:

- continued support for Senior Management Committee on implementation of the Canada/PEI Labour Market Development Agreement (LMDA);
- management of departmental programs which provide operational support and capital contributions to community economic development organizations and projects;
- promotion of entrepreneurship;
- participation in departmental initiatives relating to policy or program development and evaluation as appropriate;
- representation on various committees on behalf of the department/province relating to division/government priorities.

Regional Development Support Program

This program assisted community based economic development organizations to develop and implement capital projects in various locations across PEI. A number of applications were submitted to the division and received assistance during the year. The following indicates some of the major groups/organizations that received capital construction assistance: Northumberland Community Development Corporation, Community Council of Morell, Eastern Kings Community Development Corporation and PEI Railway Association; lessor levels of assistance was granted to non profit groups including: Montrose Community Club, Little Pond Community Centre, and Ellerslie Senior Citizens Club. Professional fees relating to studies, surveys and audits were supported. Those involved included Friends of South Shore Community Complex Inc. and others. Operational support was provided to a number of groups including Tignish Initiatives Inc. and Victoria Wharf Development Inc.

In all, the program supported 21 projects involving a budget of approximately $356,000.

SPECIAL INITIATIVES

During the fiscal year the Division participated in a limited number of special initiatives that are outside the normal responsibilities of program delivery. These included:

- **Canada Jobs Fund** - The Canada Jobs Fund is a federal program established to encourage economic development and job creation as part of the 1996 Employment Insurance Reform. Human Resource Development Canada manages the program but the province is required to provide concurrence on each application prior to the request being approved. The Community and Labour Development Division participates in the review of proposals submitted under this program and provincial concurrence was granted on 9 applications during the fiscal year involving approximately $2,503,000.

- **Community Based Development Model** - The Division continues its work in support of community based development. The process assists volunteers to implement local improvement processes that assist in sustaining local community areas. Initiatives of the new Community Development Model are as follows:

    1. **Community Development Bureau** - The Division supported the Community Development Bureau comprised of the following departments; Department of Development and Technology, Department of Health and Social Services, Department of Education, and the Department of Fisheries, Aquaculture and Environment. The Bureau met on nine occasions to review and recommend financial assistance for community initiatives. The Bureau helps to rationalize and focus the Province's participation in community based development.

2. **Community Development Fund** - This fund contributes to community initiatives which help to strengthen the local community. Sustainable projects with a high degree of community support, local funding contributions and multiple funding partners were prioritized. Approved contributions totalled $810,437 among a total of 34 projects.

3. **Community Facilitation Fund** - This fund assists lead organizations in community areas as they progress through the steps of an orderly development process. Contributions amounting to approximately $27,000 were approved for local surveys, community forums, training, concept drawings, newsletters, and to research opportunities.

The province, in cooperation with the Atlantic Canada Opportunities Agency, through the Canada/PEI Regional Economic Development Agreement, provided financial assistance to support the ongoing requirements of four community based development corporations -- Resources West, Baie Acadian Development Corporation, Central Development Corporation and Active Communities Inc. The boards of directors of these corporations are comprised of community volunteers who work closely with the communities and organizations in their areas to improve the local economy and create jobs.

Program Coordination

The Program Coordination function of the Ministry for the 2000/2001 fiscal year was dedicated, for the most part, to the co-management of the Canada-PEI Labour Market Development Agreement. Some of these functions included:

- Coordination and direction of activities surrounding co-management of the Canada-PEI Labour Market Development Agreement.

- Preparation of reports, Executive Council memoranda, and presentations on behalf of the Minister and the Deputy.

Canada-PEI Labour Market Development Agreement

The Province and Canada work in concert to design, manage, and evaluate labour market programs within the parameters defined in federal legislation. Both governments work cooperatively and annually prepare a Management Plan that sets out the direction for spending to support both labour and economic development.

The federal government, through Human Resource Development Canada, delivers these programs and retains sole responsibility for the delivery of insurance benefits under Part I of the Employment Insurance Act.

Forum of Labour Market Ministers (FLMM)

The Forum of Labour Market Ministers is a body designed to build federal/provincial/territorial commitment to develop and maintain an integrated, effective and efficient labour market. One of the Forum's objectives is consensual and collaborative approaches to decision making in national labour market matters.

The provincial/territorial Forum of Labour Market Ministers and the Council of Ministers of Education endorsed collaboration on a *Skills Development* paper to address skills required to compete in the new economy.

COOPERATION AGREEMENTS

The Canada-Prince Edward Island Agreement on Regional Economic Development

On January 16, 1997, the Federal Government and the Province signed a new five-year economic development agreement (1996-2001), *The Canada-Prince Edward Island Agreement on Regional Economic Development*. This agreement is designed to support economic development activities in the Province in a wide range of strategically important areas. It also consolidates the final phases of the existing *Canada/PEI Cooperation Agreement on Primary Resource Development* and the *Planning Agreement* into one entity.

Activities/expenditures under the Planning Agreement are reported under Executive Council and Primary Resource Development Agreement activities/expenditures are reported in the Annual Reports of the Departments of Agriculture and Forestry, the Department of Fisheries, Aquaculture and Environment and the Department of Tourism.

The specific objectives of the agreement are as follows:

- Foster harmonization and integration of federal and provincial economic development efforts in the province.
- Encourage cooperation and strategic alliances among stakeholders in the economy of the province.
- Position the economy to exploit export development and import substitution opportunities to enhance job and wealth creation.
- Expand the competitive capabilities of the province.
- Provide more and better opportunities for private sector investment and entrepreneurship by establishing essential or critical infrastructure.
- Advocate public and private sector cooperation in order to maximize the return on public funds invested - leading to self-sustaining private sector opportunities.
- Contribute to the development of information and innovative technologies in the province.
- Ensure that economic development programming in the province complements, not duplicates, other federal and provincial programming.

The following is a brief description of the programs under the authority of the Department of Development and Technology.

1. **Strategic Infrastructure** - support industrial, technological and informatics/software development infrastructure, such as waste water treatment facilities, three-phase power installation, and information technologies.

2. **Tourism-Related Strategic Infrastructure** - support the development and promotion of new, and economically promising types of tourism, including those that extend the season, such as "green tourism" (ecological tours, Rails-to-Trails hiking, and golf), soft adventures (sea kayaking, and snowmobiling), and special events.

3. **Educational Support Strategic Development** - support education and training that enhance the development of knowledge-based industries; management and entrepreneurship training and development; and works to bring new technology products and services to commercial application.

4. **Community Economic Development** - support recently consolidated rural economic development organizations in the province, enabling them to fulfil their mandates. The program also provides assistance to community based economic development projects.

5. **Export Trade Development and Development Prospecting** - supports new market and trade-related identification, entry and expansion for businesses in the province.

The federal/provincial agreement funded the following activities during fiscal year 2000/2001

Strategic Infrastructure - A total of eleven applications were approved under the program for a total expenditure of $4,926,664. Projects approved included several three/phase power installation projects, one 3 phase power study, expansion of the Environmental Industrial Services Inc. (Cavendish Farms) wastewater treatment facility; capital assistance to assist in the construction of three industrial parks (Cornwall, Stratford, Charlottetown Airport Authority); Atlantic Technology Centre; assistance to Holland College to establish a multi-media program which is to be located in the new Atlantic Technology Centre; and capital improvements to Hanger # 4 at Slemon Park to accommodate the expansion of Tub Fab.

Tourism-Related Strategic Infrastructure - A total of forty-one applications were approved under the Tourism program for a total expenditure of $729,791. Projects included Bridgefest 2000; cruise ship marketing; Festival and Events PEI, Georgetown Regatta; golf marketing; Indian River Festival; Jubilee Theatre - Don Messer's Violin; Home Grown Festival, Highland Gathering ; Historic Churches brochure; Light House Society; Museum & Heritage Marketing and Branding; Quality Renewal Program; Support to TIAPEI; Sport PEI; Island Theatre Promotion; Story Telling Festival; Summerside Murals; PEI International Shellfish Festival; Trailfest 2000 andWelcome Centres:

Educational Support Strategic Development - A total of ten projects were approved under this program for a total expenditure of approximately $924,169. Projects included the Knowledge

Economy Partnership, which approved 22 projects; Prince Edward Island Business Hall of Fame; Junior Achievement of PEI; UPEI School of Business policy projects; PEI Science Fair; East Coast Music Awards; Quality Week promotion; Canadian Foundation for Innovation/UPEI Projects.

Community Economic Development - This program is directly delivered by the Atlantic Canada Opportunities Agency (ACOA) and all payments to the applicant under this program are made by ACOA. This program provides core funding to the four development corporations in the province, namely; (1) Baie Acadienne Development Corp. (2) Western Development Corp. (3) Active Communities Inc.(formerly known as Opportunities East Inc.) (4) Central Development Corp. This program also provides seed money for community-based projects. Total expenditures under this program for F/Y 2000/01 was approximately $598,428.

Export Trade Development and Development Prospecting - A total of twenty eight new projects were approved under this program for a approved expenditure of $742,680. Projects included funding for the PEI Asian Trade Office; aerospace prospecting initiatives; incoming Trade Missions from Poland and Italy; outgoing Trade missions to; Iceland, Chile, New England States; Business Park Marketing Initiative; investment awareness sessions held in Vancouver, Calgary, Toronto, Montreal, and Boston; promotional material; sponsorship of Junior Team Canada Training Centre at UPEI; Trade Show participation at Building Producers in Boston and the Fish Expo and Work Boat in Atlanta.

Canada/Prince Edward Island Agreement for the Economic Development Component of the Canadian Fisheries Adjustment and Restructuring Initiative (CFAR) - 1999/2002

On June 19, 1998, the Government of Canada announced the *Canadian Fisheries Adjustment and Restructuring Initiative (CFAR)* - a $730 million initiative targeted at the Atlantic groundfish industry. Measures included fishing licence retirement, early retirement of fishers and fish workers, a final cash payment to TAGS clients, labour market adjustment measures and support for economic development.

The $100 million Economic Development component provides $93.8 million to Atlantic Canada to be delivered by the Atlantic Canada Opportunities Agency and $6.2 million to Quebec to be delivered by Canada Economic Development. The $1.2 million in funding allocated to Prince Edward Island is based on the number of TAGS-eligible clients in the province. The Government of Prince Edward Island is contributing an additional $300,000 under the *Canada/Prince Edward Island Agreement for the Economic Development of the Canadian Fisheries Adjustment and Restructuring Initiative*, bringing total funding for the agreement to $1.5 million. On November 12, 1999, the Federal Government and the Province signed the agreement.

Support will generally be provided to those sectors which have been recognized by both governments as having long-term economic growth potential in areas of the province adversely affected by the downturn in the fishery. Delivery of programs under the agreement will be coordinated with other economic development and adjustment programming.

The Agreement is designed to assist communities in surviving and prospering in a transformed rural economy. At all levels, the goal is to promote projects which will be sustainable, create job opportunities and encourage private investment. By delivering this economic development component in cooperation with as many partners as possible, including the provincial government and industry groups, duplication of effort will be prevented and positive results will increase.

The overall objective of the Economic Development Component is growth in the economy of the Atlantic region and creation of more job opportunities. More specifically, the objectives are to:

- improve the investment climate and strategic infrastructure in rural areas, particularly as it related to growth opportunities;
- create long-term employment and capitalize on new economic opportunities outside of the traditional groundfish industry;
- encourage a greater level of self-reliance within areas affected by the downturn in the ground fishery; and
- expand and diversify economic activity, especially in the fishery affected areas.

The Agreement consists of three specific programs:

The CFAR Growth Program will support fishery affected communities as they adapt to changes in their local economies resulting from a downturn in the groundfish sector.

The primary focus will be on noncommercial projects that are consistent with local Community economic development strategic plans and demonstrating strong potential for self-sustaining economic activity.

Eligible activities shall include strategic infrastructure projects that are directly linked to private investment opportunities and not simply basic community infrastructure.

CFAR Strategic Investment Program will support private sector businesses and community owned and operated enterprises that would be considered complementary ventures for the fishery affected communities. The proposal must create a significant diversification to the fishery affected communities and be incremental in nature. Proposals should help to diversify the local economic base and demonstrate incremental jobs for the fishery affected community.

This program shall be focused but not exclusive to activities in manufacturing and processing, information and communication technology, aquaculture and tourism sectors.

Eligible applicants shall be based in the fishery affected communities and will include private sector businesses, cooperatives, collaborative partnerships between the public and private sector and others, as appropriate.

CFAR Foundation Program will be targeted at strategic community-based projects that lay a foundation for private sector investment and growth. Proposals should be part of a long term community supported plan and be strategically located to maximize development.

Eligible activities under this program could be but not limited to waterfront improvement, village and town centre redevelopment, strategic tourism infrastructure and strategic linkages between communities.

The Federal/Provincial CFAR Agreement funded the following activities during the fiscal year 2000/2001:

1. CFAR Growth Program - no applications were received under this program in fiscal year 2000/2001.

2. CFAR Strategic Investment Program - The Department received and approved only one application under this program. A contribution in the amount of $300,000 was approved for the North Lake Fish Cooperative to assist in the construction of this company's new modernized $3.3 million seafood processing plant at North Lake. The total provincial expenditure for fiscal year 2000/2001 was $54,000 with the balance of the contribution to be disbursed in F/Y 2001/02.

3. CFAR Foundation - A total of three applications were received and approved - funding to assist in the expansion of the Elmira Railway Museum, redevelopment project in downtown Souris and Eco-Tourism development project in West Point. The total provincial expenditure for fiscal year 2000/2001 for this program was $49,957.

ENERGY AND MINERALS

The Energy and Minerals Section is responsible for the provincial government's development and implementation of energy policy. This mandate includes evaluating energy policies, technologies and infrastructure for PEI; providing technical expertise to the province's industrial sector in regards to energy matters; monitoring energy supply, demand and cost; maintaining interprovincial and international liaisons with respect to energy and regulating and encouraging the exploration for minerals, oil and gas within the province.

Legislation that the Energy and Minerals Section is responsible for include the *Maritime Electric Company Limited Regulation Act, Electric Power and Telephone Act, Energy-Efficient Appliances Act, Oil and Natural Gas Act, Mineral Resources Act, Petroleum Products Act* and *Natural Gas Distribution Act*.

$mart Energy Management Program

This program offers an advisory service, including comprehensive energy audits, to Island manufacturers and processors to improve the energy-efficiency of their facilities. Since the workshops were developed, approximately eight years ago, 89 of the estimated 110 Island manufacturers and processors have participated in at least one of either the Electrical Energy-Efficiency Workshop (PowerWise), Thermal Energy-Efficiency Workshop or Energy-Efficient Refrigeration Workshop.

Section staff also provide a follow-up auditing service to clients that have participated in the program. This serves to respond to the clients' changing energy requirements, verify energy savings from recommended retrofits and trouble-shoot problems relating to energy consuming equipment.

In 2000-2001, the Energy and Minerals Section introduced the $MART Energy Management Interactive CD-Rom. The CD-Rom is designed to allow manufacturers and processors to analyse energy consumption within their facilities and begin the process of identifying and implementing energy conservation measures. Workshops were held in the winter of 2001 with 25 businesses participating.

Oil and Natural Gas Exploration

The exploration of mineral resources and oil and natural gas is administered and regulated by the Energy and Minerals Section. Thirteen oil and natural gas permits have been assigned to four exploration companies. In total, more than 400,000 hectares (1,000,000 acres) of PEI land is under exploration for oil and natural gas.

On January 1, 2001, Meteor Creek Resources Inc., a junior oil and natural gas exploration company from Toronto, Ontario began drilling the Bear River #1 Exploratory Well on the east side of route 308 in St. Charles, P.E.I. The well site is included within a 71,000 hectare (176,000 acres) oil and natural gas permit that is held by Consultants A.G.R.E.N. Canada Inc. Under the terms of the farm-in agreement with A.G.R.E.N., Meteor Creek became the operator of the well and gained a 50% working interest in the permit.

It was originally estimated that total depth of 3680 metres would be reached within a 40-50 day time period. The occurrence of several down-hole problems extended the drilling program considerably and, as of March 31st, 2001, total depth had yet to be reached. After drilling is completed, Bear River #1 will be subject to a testing program that includes electrical wire-line logging.

This past January marked Prince Edward Island's first ever call for bids for an oil and natural gas permit. Development and Technology Minister, the Honourable Michael Currie, issued a call for bids for the exploration rights on a 35,664 hectare (88,000 acres) parcel of land located in the eastern section of the province that is approximately situated between St. Peter's Bay and Cardigan Bay.

At bid closing, on February 28, 2001, two exploration companies had submitted the necessary bid documents. The Minister has up until six months after the submission date to issue an oil and gas permit but is under no obligation to issue a permit as a result of this or any bid call.

The call for bids represents a substantive change in the method of issuing exploration rights by the province. Previously, exploration permits were acquired on a "first come - first serve" basis. A bid system reflects the competitive environment for pursuing hydrocarbon resources and also brings P.E.I.'s regulation of exploration rights in line with other provinces and the federal government.

Regulatory Matters

With the development of the Sable Offshore Energy Project (SOEP) and the subsequent construction of the Maritimes & Northeast Pipeline (M&NP), natural gas will be available to several Maritime communities. The Energy and Minerals Section has been actively pursuing access to Sable Island natural gas. This has required monitoring of the regulatory process and intervening at National Energy Board (NEB) hearings in New Brunswick and Nova Scotia.

During the past year, the Energy and Minerals Section intervened at the NEB hearings for the approval of the mainline tolls. The province will also be represented by the section staff at any future Maritime lateral hearings.

The Energy and Minerals Section also represents provincial interests on the Tolls and Tariffs Working Group regarding the Maritimes & Northeast Pipelines. This group provides input into the toll making process for the natural gas delivery system in the Maritime Provinces.

Electricity Rate Hearing

In October, 2000, Maritime Electric Company Limited (MECL) announced that it was planning to increase electricity rates by 4.53% effective January 1, 2001, based on its interpretation of a section of the Maritime Electric Company Limited Regulation Act (the Act). It considered a write-off of $450 million in Point Lepreau assets a subsidy of electricity rates in New Brunswick.

On December 28th, 2000, the Island Regulatory and Appeals Commission issued a Notice of Public Hearing into the increase to commence on January 30th, 2001.

During the early stages of the hearing, the Commission reviewed written arguments relating to the relative provisions of the Act which were applicable to the proceeding and, on February 19th, ruled that the hearing should continue. On the 12th day of March, 2001, the Minister appealed the Commission's decision to the Supreme Court of P.E.I. arguing that IRAC erred in law in its interpretation of certain sections of the Act. On March 13th, IRAC postponed the hearings pending the Court's decision with respect to the appeal.

As of March 31st, the appeal had not yet been considered by the Court.

Accessing Natural Gas

Most Canadians have experienced the benefits of natural gas as a cost-efficient, reliable and clean-burning source of energy. In addition to monitoring the regulatory process in the other Maritime Provinces and intervening at lateral hearings, the section staff have been actively pursuing natural gas access for PEI. Activities have included investigating the costs and benefits of constructing a mainline lateral from the Maritimes & Northeast Pipeline through commissioning consultant studies, conducting load surveys and liaising with prospective energy companies.

PEI EnerPool Program

The EnerPool Program, initiated in 1978, continues to demonstrate the effectiveness of ride-sharing transportation in optimizing energy consumption and reducing traffic congestion. Routes from Souris and Summerside provide weekday transportation to and from Charlottetown.

Energy Data Base

An Energy Data Base is maintained by the section to serve as a resource for preparation of reports on energy and environmental issues. Supply, demand and cost of several energy fuels are compiled for the data base. On a biannual basis, the Section commissions a wood fuel survey to track the volume and pricing of this energy source as this information is not available from other data providers.

Intergovernmental Committees

Section staff represent the province on a number of intergovernmental committees pertaining to energy and the environment as part of PEI's responsibility as participants in the Council of Energy Ministers and the Joint Management of Canadian Energy and Environment Ministers. This includes representation through the National Air Issues Coordinating Committee for the national climate change strategy (NAICC-CC) and other air issues (NAICC - "A".)

Section staff sit on other federal/provincial committees that deal with various energy issues including electrical reliability and pipeline regulation. PEI is represented internationally on energy issues by section staff through the Northeast International Committee on Energy which is a sub-committee of the Conference of the New England Governors and the Eastern Canadian Premiers.

Energy and the Environment

An increasing body of evidence is revealing that the accumulation of greenhouse gases in the earth's environment, mainly from the burning of hydrocarbons for energy, is having a net effect of increasing temperatures and also changing climatic patterns. Expected affects include sea level rise and greater intensity storms. This province could be particularly at risk, being an island with highly erodible soils.

Consistent with the province's commitment to do its fair share to address climate change, the **Prince Edward Island Climate Change First Business Plan** received cabinet approval in November 2000. The plan was co-authored by staff of the Energy Section and the Pollution Prevention Section of the P.E.I. Department of Fisheries, Aquaculture and Environment. Included in the business plan are initiatives sponsored by various government departments and non-government agencies that are designed to mitigate the emission of greenhouse gases on Prince Edward Island.

PEI Energy Corporation Activities

Section staff assisted with a number of activities initiated by the PEI Energy Corporation during the fiscal year 2000-2001. Staff assisted with the project analysis and development of the 5.2 Megawatt Wind Farm due for completion in October, 2001, as well as the Natural Gas Pipeline Development and on-Island Electricity Generation Proposals.

FINANCE AND ADMINISTRATION

Finance & Administration provides support services to the operating Divisions of the Department. Major areas of responsibility include:

- Budget preparation
- Expenditure monitoring and forecasting
- Purchasing
- Invoice and expense claim processing
- Staffing
- Classification
- Payroll
- Staff development
- Other employee-related programs

Departmental Staff Complement

Permanent

On March 31, 2001, the Department had 81 permanent full-time equivalent positions. The following is a breakdown of these positions:

Department Management	5
Policy and Planning	7
Energy Development	4
Access PEI	50
Community and Labour Market Development	14
Regional Economic Development Agreement	1
	81

Casual

Approximately 20 employees were hired on a casual basis, primarily in Access PEI.

IMMIGRATION, INVESTMENT AND TRADE POLICY

The role of the Division is to develop, coordinate and implement policy in the areas of immigration, investment and trade within the Department. The Division is also responsible for the operation and management of Island Investment Development Inc. (IIDI).

The Immigration, Investment and Trade Policy Division covers a wide range of responsibilities which support departmental economic development objectives.

The Division is responsible for the immigration policy area and also for administering the Federal Government Business Immigration Program, including the management and operation of Island Investment Development Inc. (Island Funds) and the Prince Edward Island Century 2000 Fund. The Division is also responsible for other areas of immigration policies which include resettlement programs, humanitarian issues regarding refugees, and the new Federal Immigration Policy Levels and Issues.

The Business Immigration Program consists of three components: Investor, Entrepreneur and Self-Employed. The Investor Program is accessed by Island Investment Development Inc. whereby Immigrant Investors placed money into one of our Island Funds in exchange for a Canadian Business Visa. The money in turn was loaned at a reduced interest rate to Island businesses to undertake projects of significant economic benefit to the Province based on loan criteria developed by the Board of Directors of IIDI in consultation with Executive Council.

Since April 1, 1999 when the Island Funds, along with other provincial immigrant investor programs, were replaced by the Canada Fund, there has been a sharp decrease in the monies available for Island businesses. Prince Edward Island has become a member of the Canada Fund through the PEI Century 2000 Fund. Presently, there are three Provinces, PEI, British Columbia and Ontario, participating in this Fund. The Canada Fund competes with the Quebec Fund and to date is uncompetitive in the market place. It is expected this Fund will become more competitive in the market in 2002, at which time we will see a modest increase in immigrant investment funds coming to the Province.

The Division has, over the past two years, been negotiating with the Federal government to implement a new program called the Provincial Nominee Program. This program is designed to assist businesses and Government to acquire people with skills that are in short supply and also to encourage entrepreneurs, who want to do business in North America, to establish their business on PEI. On March 29, 2001 the Province signed an Immigration Agreement which includes the Provincial Nominee Agreement.

The Division has been involved in discussions with Federal Citizenship and Immigration Canada officials on new policy initiatives announced by the Government of Canada in January, 1999. There is an attempt by the Federal Government to streamline immigration policy and to devolve more policy roles to the Province. Prince Edward Island has been

particularly active in the Business Immigration Policy areas as well as Refugee and Resettlement Policies.

Complementary to immigration activities is the role the Division plays in Trade Policy for Prince Edward Island. Prince Edward Island does over $1 million worth of business in over 60 countries and therefore is highly dependant on trade with other countries. Trade barriers that hinder Island companies from doing business and the existence of a level playing field are essential to expanding trade markets which will result in Prince Edward Island's economic growth as a Province.

The Division has the responsibility for the implementation and monitoring the Atlantic Procurement Agreement which is designed to reduce Interprovincial Trade Barriers in the Atlantic Region. This Agreement has been in place for seven years and has enabled the Maritime Provinces to develop a Maritime purchasing authority to bulk purchase numerous items such as school buses which has been financially beneficial to Prince Edward Island in the procurement of these items.

The Division is also responsible for overseeing the Internal Trade Agreement which was signed in 1994 to facilitate and reduce barriers to Interprovincial and Territorial Trade. The Division Director is the Internal Trade Representative for this committee. The Agreement has eight components and the Division has developed and implemented policies in coordination with other appropriate departments within government. This year has brought increased activity in the investment and procurement areas and more recently in Agriculture and Forestry. The Internal Trade Agreement will have an impact on all Province's trade practices within Canada in future years.

The Division has been actively involved with International Trade Policy, as Prince Edward Island Trade interests are negotiated by the Division as part of the Canadian position involving the following agreements:

- World Trade Organizations (WTO)
- North American Free Trade Agreement (NAFTA)
- Free Trade Agreement with the Americas (FTAA)
- Canada/Chile Agreement

International trade is becoming more important and complex as Canada and in particular Prince Edward Island move further towards a global economy. The Division is responsible for coordinating and ensuring Prince Edward Island's policy objectives will be included in the WTO Round of Trade meetings and the Division is responsible for defining and carrying forward Prince Edward Island's Policies initiative to Federal officials for inclusion in this discussion. The Division has been extensively involved in several meetings which have taken place during the year to prepare for Prince Edward Island's input into this process.

In addition, PEI is strengthening its relationship with the PEI Trade and Development office in Hong Kong to ensure it is relevant to PEI businesses over the next five years in addition to its role as agent for the former Island Funds, the Canada Fund (PEI Century 2000 Fund Inc.) and the Provincial Nominee Program.

POLICY AND PLANNING

The Policy and Planning Division is a resource and support for the Department's other divisions.

The overall responsibilities of the Division are as follows:

- management of strategic policy and program areas including computer support for Departmental staff and Access PEI,
- development of the Government of Prince Edward Island's web site,
- analysis of policy issues and provision of advice to Senior Management on a variety of issues,
- preparation of material for Minister and Deputy Minister,
- development of proposals,
- strategic planning,
- coordination of Departmental input and responses,
- preparation of multimedia presentations, and
- program evaluation.

Government of Prince Edward Island Web Site

Staff in the Division work with Reinvented Inc., a private sector company, to develop the Government of Prince Edward Island's web site. The objectives of the site are to:

- promote PEI as a place to do business,
- promote PEI as a place to visit, and
- provide information about Prince Edward Island to Islanders and Internet users alike.

The intent for 2001-2002 is to continue to build the Government's web site to include as much information about PEI as possible and to expand the e-government content at the web site. The Internet is a cost-effective means of distributing information and promoting

PEI. Islanders can now renew their motor vehicle registrations on line. A new business directory was announced. GovInfo was announced which is a searchable database of all federal, provincial and municipal programs and services. A new Seniors web page was developed that provides one stop for information for seniors. The Division also worked in partnership with the Office of the Attorney General to enable the list of corporations to be searched on line. In addition, a joint federal, provincial and municipal web site showing the phone numbers for all public servants in the province is now available on line. All of these new information resources can be accessed at www.gov.pe.ca. There are more than 50,000 pages of information at the web site.

The Director chairs an interdepartmental committee that works together to develop the content at the Internet site on behalf of the Province. The information on the Internet about Prince Edward Island has been growing steadily. The Speech from the Throne and the Budget Speech were put on-line while the speeches were being delivered in the House. PEI was the first province in Canada to provide live Real Audio coverage of the proceedings in the Legislature. Internet users with the appropriate hardware and software can listen live to the proceedings.

PEI was the first province in Canada to offer comprehensive interactive mapping capabilities. This allows users with the appropriate free software to zoom in on a map of PEI and see the location of many items including accommodations, restaurants, schools and emergency facilities. In 2000-2001, the web site continued to add mapping information to supplement the business map that provides information of interest to those seeking to establish a business such as the location of the fibre optic network, three phase power network. As well, in partnership with the PEI Real Estate Association, the geographical location of the MLS listings are plotted on the map along with other information such as the location of the schools, rinks and churches. This is very beneficial for those seeking to purchase housing or land.

During Christmas of 2000, the Internet Information Centre enabled thousands of Internet users to send Christmas cards to other Internet users around the world and this proved to be a very popular feature. As well, the web site introduced a contest each day during the month leading up to Christmas.

The Province's web site includes the Island store which sells clothing, posters and licences plates to Internet users around the world. Products have been shipped to shoppers from Japan and the United States.

A number of demonstrations were made for groups within and outside of government.

Coordination

The Division coordinates the preparation of the Department's annual report and the Ministry's strategic planning process.

ECONOMIC AND SYSTEMS ANALYSIS SECTION

Policy Analysis

The Manager represents the Department on various committees that analyze the impact of policy changes such as the elimination of the tax on clothing and footwear. As well, the Manager represents the Department on various research committees such as the DFO Ocean Sector Study.

Coordinate Special IT Projects for the Department

The Section worked with staff at the Access PEI sites to plan and coordinate IT requirements for the expansion of the Access PEI Sites as well as the set up of new Access PEI Sites. This includes identifying LAN wiring requirements, equipment and software requirements and coordinating the LAN room layouts. New software installs and equipment installations were done by the Section staff.

The Manager coordinates any LAN room requirements, setup and shutdown with IT staff from other Provincial and Federal Government departments during the renovations at each Access PEI site.

Management Information Systems Coordinator

The Manager represents the department on various Provincial Government committees to discuss IT issues and policies such as network standards and IT security issues. Staff represents the department on committees to develop software and hardware installation and setup procedures.

Network Administration and Support

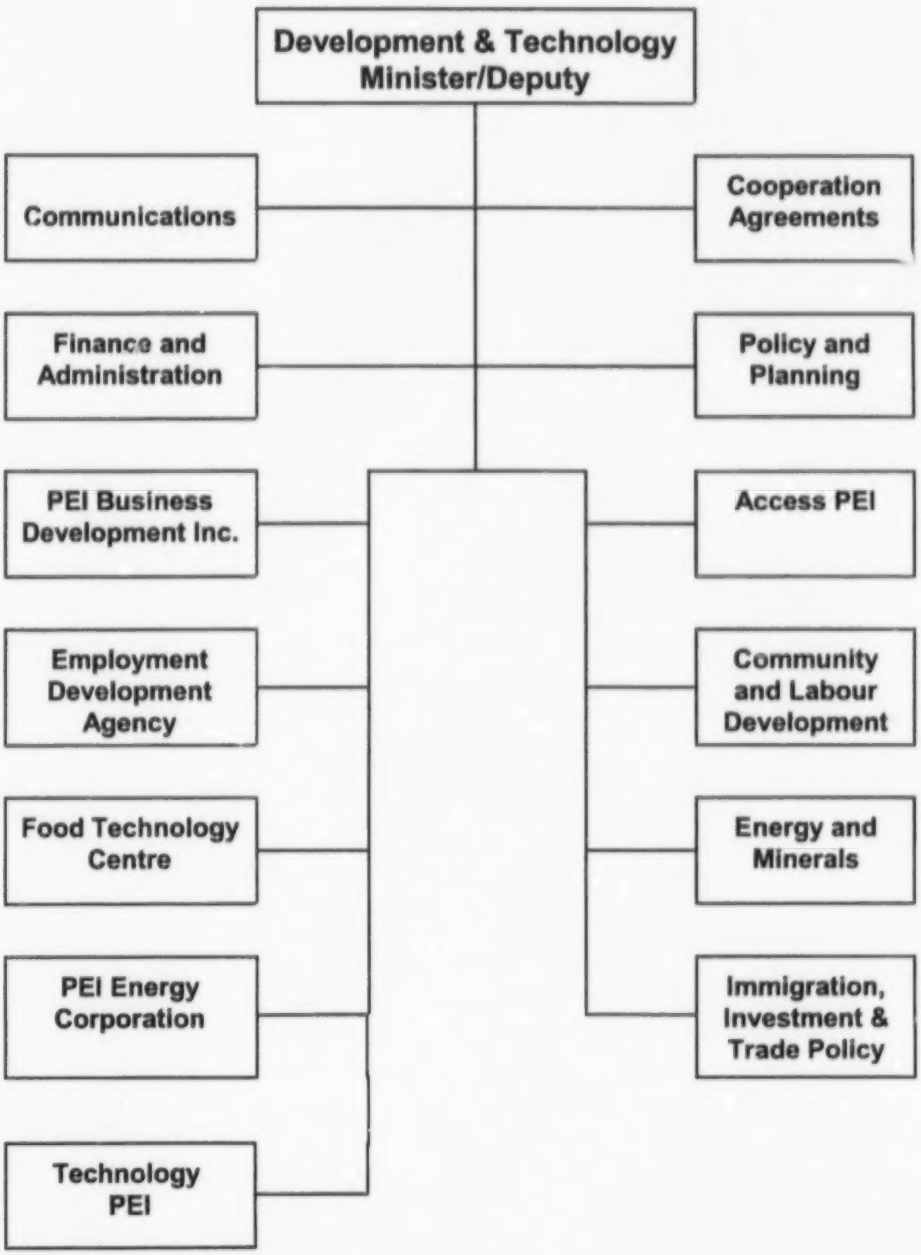
The Section manages the local area networks for the Department and the Access PEI Sites. The Manager acts as departmental coordinator regarding computer matters. The section provides day-to-day support for the department and the Access PEI sites for all hardware, software and systems. The Section also coordinate IT LAN requirements for the setup of computers at presentations.

Information Technology Requirements

The Section recommends computer hardware and software purchases for the Department. The Section is responsible for the setup of computer equipment, the installation of software and the inventory of all computer hardware and software.

APPENDIX A

MINISTRY ORGANIZATIONAL CHART
MARCH, 2001



APPENDIX B

DEPARTMENT OF DEVELOPMENT & TECHNOLOGY
LEGISLATIVE RESPONSIBILITIES

ACTS

Area Industrial Commission Act
Employment Development Agency Act
Energy Corporation Act
Energy Efficient Appliances Act (when proclaimed)
Institute of Man and Resources Act
Island Investment Development Act
Maritime Economic Cooperation Act
Mineral Resources Act
Natural Gas Distribution Act (when proclaimed)
Oil and Natural Gas Act
Prince Edward Island Business Development Inc.

BOARDS/COMMISSIONS/AGENCIES

Atlantic Wind Test Site
Canada Games Inc.
Capital Commission
Charlottetown Area Development Corporation
Community Advisory Boards (various)
Employment Development Agency
PEI Energy Corporation
Environmental Industrial Services Inc.
PEI Food Technology Centre
Gateway Village Development Inc.
Island Investment Development Inc.
Natural Gas Distribution Board
Prince Edward Island Business Development Inc.
Souris Food Park Development Corporation
Summerside Regional Development Corporation

APPENDIX C

Expenditures by Division (1)	Unaudited Actual 2000/01 $	Budget Revised 2000/01 $	Budget Estimate 1999/00 $
Departmental Management	544,973	484,400	489,400
Policy and Planning	379,234	382,000	403,000
Energy and Minerals	234,167	382,800	416,300
Access PEI	2,518,043	2,426,900	2,242,700
Community and Labour Development	2,059,293	2,280,700	1,398,100
Cooperation Agreements	7,632,902	8,304,700	5,704,000
Total Department	13,368,612	14,261,500	10,653,500
Revenue	7,355,498	8,251,000	4,705,000

Notes:

(1) Detailed information is appended.

(2) The 2000/01 Revised Budget includes special warrants of $2,600,700 fully offset by revenue from the federal government for the Regional Economic Development Agreement and Special Funds; $178,700 for Access PEI to establish 3 new Access PEI Centres; $934,100 for Community Development which is fully offset by revenue from Special Funds; and $45,700 transferred to Community and Cultural Affairs.

DEPARTMENT OF DEVELOPMENT AND TECHNOLOGY
Expenditures by Division

	Unaudited Actual 2000/01 $	Budget Revised 2000/01 $	Budget Estimate 2000/01 $
Department Management			
Administration	54,269	43,200	43,200
Equipment	19,690	-	-
Materials, Supplies, and Services	43,928	43,000	43,000
Professional and Contract Services	39,272	18,700	23,700
Salaries	353,740	338,300	338,300
Travel and Training	34,074	41,200	41,200
	544,973	484,400	489,400
Policy and Planning			
Administration	6,000	4,200	4,200
Equipment	4,882	5,000	5,000
Materials, Supplies and Services	6,385	7,400	7,400
Professional and Contract Services	62,657	60,000	80,000
Salaries	292,750	296,500	296,500
Travel and Training	6,560	8,900	9,900
	379,234	382,000	403,000
Energy and Minerals			
Administration	10,442	18,600	18,600
Equipment	6,433	6,200	6,200
Materials, Supplies and Services	12,268	17,700	17,700
Professional and Contract Services	67,741	148,500	182,000
Salaries	125,934	170,600	170,600
Travel and Training	11,349	21,200	21,200
	234,167	382,800	416,300
Access PEI			
Administration	398,411	360,500	326,400
Equipment	139,547	118,500	40,100
Materials and Supplies	109,632	132,200	89,000
Professional and Contract Services	1,852	5,000	5,000
Salaries	1,826,612	1,762,800	1,736,300
Travel and Training	41,989	38,100	36,100
Grant	-	9,800	9,800
	2,518,043	2,426,900	2,242,700

DEPARTMENT OF DEVELOPMENT AND TECHNOLOGY
Expenditures by Division

	Unaudited Actual 2000/01 $	Budget Revised 2000/01 $	Budget Estimate 2000/01 $
Community and Labour Development			
Administration	4,568	5,700	5,700
Materials, Supplies and Services	16,875	4,200	4,200
Professional and Contract Services	13,511	8,000	8,000
Salaries	721,022	644,800	694,500
Travel and Training	39,761	43,100	44,900
Grants	1,263,556	1,574,900	640,800
	2,059,293	2,280,700	1,398,100
Cooperation Agreements			
Administration	234,790	7,000	7,000
Equipment	10,824	500	500
Materials, Supplies and Services	194,594	75,000	75,000
Professional and Contract Services	449,808	250,000	250,000
Salaries	53,714	53,300	53,300
Travel and Training	2,704	7,000	7,000
Grants	6,686,468	7,911,900	5,311,200
	7,632,902	8,304,700	5,704,000
Total Department	13,368,612	14,261,500	10,653,500